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West Europe Report

(FOUO 19/82)



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WEST EUROPE REPORT

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ENERGY ECONOMICS

BELGIUM

PROBLEMS OF NATURAL GAS SUPPLY VIEWED

Brussels POURQUOI PAS? in French 11 Feb 82 pp 14-15

/Article by Pierre Thonon/

/Text/ Our energy independence is not for tomorrow. If all goes as well as hoped by the IDGS /Institute for Development of Underground Gasification/, a sort of public research bureau financed 40 percent by EEC and 60 percent by the Belgian and German governments, practical exploitation of gas extracted from our deep coal deposits will not be possible before 1990.

And even so, not at Thulin. Rather in the Campine, and possibly in the Black Country. But surely not in the Liege basin, and only in slight amounts from the Borinage. The problem is purely technical. As of now, the only industrial user of coal gas is the USSR. The technique is perfected for deposits at ground level or barely below it. Our deposits are too deep; their gasification requires a very sophisticated technology whose cost is justified only for enormous and continuous veins.

Moreover, it will never be anything but a poor gas, weak in heating power: in the 2,500 to 3,000 Kcal/m³ range, which could possibly be raised to 12,500 by special and necessarily more costly treatment.

The Birth of Einstein

Then why all the great beat of tomtoms orchestrated last week to mark the "take-off" of underground gasification at the Thulin experimental site? Mere hot air?

One thing is certain: the doubting Thomases who came to the site saw nothing. They were asked to believe that something was going on about 900 m down. At the end of a drill pipe, an electrical firing coupled with an injection of compressed air so as to bore a channel allowing the gas subsequently extracted from the coal to reach the outlet--in this case another drill pipe. It is not certain, however, that it will then follow instructions. If everything happens according to the calculations of the Belgian and German engineers, that passage will exist a good month from now. But not before May will gas final-

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ly reach the surface, to be lighted with a match and finally seen burning--as oil is seen bursting from the ground and falling on the engineers in the final scene of films on the epic of black gold.

"Newspapers of the time were not in a position to announce the birth of Einstein or Mozart," said the secretary of state for energy to his guests at the premature "inauguration." "Today we are perhaps witnessing the birth of a new natural resource for our country...."

It is true that if it "produces" it would indeed last several dozen years, if not one or two centuries: deep coal reserves in the Belgian subsoil exist in a proportion of about 100 to 1 compared to reserves exploitable by traditional methods, which have made the prosperity of industrial Wallonia for more than a century.

Meanwhile, we must still keep our feet 900 m above the level of the deep veins. All the more so--and let us keep this well in mind--since coal gas will probably never be suitable for all-round use, but will only have limited applications such as, for example, supplying certain electric power stations of modest demand.

Dependence on Others, as for Petroleum

So for general use of gas in our energy supply, we can count only on natural gas, and this is certainly also true for the next generation. Looking ahead to the exhaustion of the Dutch reserves which have supplied us for several decades, we shall then lapse into a dependence of the petroleum type vis-a-vis the suppliers, Algeria and the USSR, neither of them being particularly reassuring or dependable because of their distance on the one hand, and their political regimes on the other. Other foreseeable suppliers are Canada, Cameroon, Nigeria, Trinidad, and Qatar.

At the moment, only one contract is concluded, with Algeria.

A contract for which we perhaps bid too high in vain. When we concluded and confirmed it, by authority of M Claes vice premier, we wished to show such good will that we not only offered a higher price than any other natural gas buyer in the world, but then enhanced it by pegging it to oil prices. Today socialist France has just struck the same sort of bargain, for a greater figure, matched in addition by a "political premium" which is added to the price of the gas proper. Such blandishment instantly won for the former colonial oppressor preferential treatment as a newfound elder brother, especially in view of the advantageous economic quid pro quos of the contract itself, such as contributions to Algerian industrialization.

Already hampered by delays encountered in starting the program (on both sides: Zeebrugge with us, and the liquefaction plants in Algeria), our handsome and costly contract reverts on that ground to second rank among Algerian priorities, which already amply demonstrates the precariousness of this sort of energy dependence.

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But the essential does not appear to be again at issue: an annual supply of 2.5 billion m³, corresponding to a quarter of our 10 billion m³ yearly consumption.

Finally, the Methania Sails

In principle, the first delivery should even reach us this fall via the oil port of Saint Nazaire. The Methania, that celebrated supertanker specially built to bring us Algerian gas, will thus be able to leave the Norwegian fjord in which it has been languishing at the modest cost of Fr 500 million a year for inactive maintenance, after having cost Fr 5 billion to build.

With regard to the other large future supplier, the USSR, we are preparing to follow cautiously the path laid down successively by the Germany of M Schmidt and the France of M Mitterand: by negotiating a long-term contract for an annual supply of 3 billion m³, or approximately 30 percent of our needs (which, as is the case for our neighbors, comes to only 5 percent of our primary energy needs. As M Knoop confirmed in response to a parliamentary question a few days ago, events in Poland have not called into question again, with us either, "the principle of contacts with the Soviet Union."

They will serve, on the other hand, to justify additional investments for storage, which is at present limited to one facility under aquatic dome at Loenhout (Wuustwezel) and two facilities in old mines at Anderlues and Ressaix--which only goes to show we always come back to coal.

For in the face of the truly alarming precariousness of our supply lines, a government at such a loss as ours in fact has nothing better to do than what a mother of a family has done at every alert since the Korean war. Henceforth M Knoop will not rest until we have the same permanent "strategic" stocks of gas as we have of oil--to hold out three months. Thanks, papa.

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ECONOMIC

ITALY

LABOR-LAW EXPERT DISCUSSES UNION-MANAGEMENT RELATIONS

Milan IL MONDO in Italian 5 Feb 82 pp 11-13

[Interview with Gino Giugni, socialist, professor of labor law, author of worker's statute, by Vittorio Borelli: "Watch Out, the Boss is Firing." Date and place of interview not given.]

[Text] The industrial relations' model which characterized the 1970's suffered a crisis in the fall of 1980 due to the FIAT controversy. In 1981, in fact, the hard line policy of Cesare Romiti and the Agnelli brothers quickly encompassed the whole Italian industrial structure and is now beginning to affect even the superguaranteed public employment. Perhaps the most emblematic sign that the rigid system of guarantees built by the unions after the hot autumn of 1969 is crumbling, lies in the relative ease with which firms can now lay off nonessential workers.

What does all this mean? That we are shifting from the all-powerful trade union to the all-powerful management? That the much talked about statute of workers' rights soon will be substituted by a statute of businessmen's rights? What model will eventually characterize the industrial relations of the 1980's?

IL MONDO discussed this issue with Gino Giugni, famous scholar, tenured professor of labor law at the university of Rome, socialist author--together with Giacomo Brodolini--of the workers' statute.

Question: Recently Felice Mortillaro, Federmeccanica's director general, implicitly discounted the workers' statute affirming that firms can lay off workers today because the general balance of power shifted in their favor. What do you think of that?

Answer: Mortillaro is not completely wrong. The statute, on the other hand, never prevented collective lay offs, since it was conceived to prevent abuses against individual workers. It is also true that the unions were the first to interpret the law in far-reaching fashion, thus contributing to the creation of that job security culture which is exactly the opposite of a modern industrial culture, but this has little in common with the spirit and letter of the statute. Only farsighted union leaders like Bruno Trentin realized since 1974-75 that, in the long run, the job security culture would have harmed those same workers. Be it as it may...today things are painfully changing, even though cases like that of the 150 transfers blocked at Italsider in Genoa show that there is still a long way to go.

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Question: Therefore, are lay offs in order when necessary and justified?

Answer: Let me make it clear; it is only just that society tend to guarantee the continuity of work for all. The error lies in the belief that the continuity must apply to a specific position held.

Question: How do you assess the union's initiatives in the areas of job placement, professional training and mobility?

Answer: Let us recognize that the unions never had a policy in these areas. The reason is linked to their structure; In Italy unions exist within the factories, not in the market place. Therefore, they limit themselves to protecting what they have also when they get involved in the market place. A case in point is the law on mobility which is being discussed in Parliament for 3 years. Well, even amid many incongruities, there was an attempt to give more room to nominative calls in former bill 760, which never became law, introduced by the then minister Vincenzo Scotti, but the unions opposed it. On what basis nobody knows, since surveys made by the unions show that over 90 percent of hiring takes place outside of placement channels. And the funny thing is that diffidence toward the placement system created in 1949 concerns employers as well as workers.

Question: Your party, PSI, [Italian Socialist Party] recently introduced a new proposal for a labor agency. Is it a proposal complementing the old 760 or is it something entirely different?

Answer: Entirely different. There are two positions within PSI on this point. The first says: Let us pass [bill] 760 as an experiment and let us switch to the [labor] agency at a later stage. The second, which I share, says instead: bill 760 is a mess, if we pass it we will never manage to introduce the labor agencies which take in account a much more advanced system of controlling mobility. It must be said, however, that on these topics among all parties and the unions as well some confusion reigns. Amid the chaos of opinions I fear that the line of compromise at the lowest level will prevail, namely that of experimenting with [bill] 760.

Question: With regard to laws and magistrates: in the 1970's the judiciary intervened several times in labor disputes. However, you criticized rather vigorously the so-called hardline judges...

Answer: First of all it is only fair to recognize that had there not been judges capable of discerning the elements of innovation and progress in the workers statute, the social conflict would have been even greater. Therefore, I do not criticize the judiciary system in itself. I criticize, instead, the small group of magistrates who, through the statute, pursued political objectives. Some sentences have been used as ideological-political weapons to destroy the capitalistic system. Some judges, in final analysis, wrongly believed that there could be a judicial way to socialism.

And it must also be added that, with regard to this problem, management's behavior was self-destructive and childish; instead of reacting, it hid behind the most absurd sentences complaining that factories had become unmanageable.

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Question: Getting back to the unions. Don't you believe that the job security culture is also fruit of an antiquated analysis of class composition? In other words, is not the workers' doctrine also the expression of the culture of mass-workers, of those of the large factories of the 1960's?

Answer: To avoid being prisoners of the most simplistic sociology, we must recognize that ongoing changes were already visible 10 years ago. Unions, not only the Italian ones, understood with great delay that the old working class was disintegrating. Also in the United States unions have for some years been paying a very steep price for having walled themselves inside the factories. The workers' doctrine, in a situation whereby the working class is numerically a minority and politically burdened with different interests, comes out sterile and a loser. Let's be careful, however; if on one hand it is right to give up the old concept of workers' centralization; on the other the role of factory workers in a political strategy of renewal cannot be underestimated. It would be extremely foolish to counterpoise trade unions of a tertiary nature to workers' trade unions. In number, unity and tradition factory workers are an essential element for an innovative alignment.

Question: Several surveys showed that also the workers' culture is changing. Today the number of workers being a subjective antagonism toward their plant is getting smaller...

Answer: With a concise and perhaps pessimistic expression one could say that today the majority of workers are somewhat absentee-proned and somewhat indifferent. But this is also fruit of the many defeats endured by unions and of the strategic weakness of left wing parties.

Question: As far as the new class composition is concerned, what do you think of the intermediate rank movement?

Answer: The ranks have been a reality for years and it was about time that everybody became aware of them. With this premise, I say, frankly, that their movement is still characterized by great improvisation and great confusion. An example is the request to modify article 2095 of the civil code. The ranks legal recognition will be (since all except PCI [Italian Communist Party] are now in agreement) a purely formal act which will not alter at all their situation.

Question: I agree, but what are the confederate unions offering as an alternative?

Answer: Historically confederate unions have associated ranks with symbols (labor centralization, class unity, etc.) in order to cheat them on salary with the line on equalitarianism. The ranks' diffidence is understandable.

Question: The idea of union unity appears worn out and, perhaps, forever compromised. In the meantime autonomous unions have gone to pieces as well as the ranks movement itself. Don't you believe that in this picture of disarray, CGIL [Italian General Confederation of Labor], ICFTU [International Confederation of Free Trade Unions], and UIL [Italian Union of Labor] could each come back, as in the 1950's and until 1968-69, for a fair share of the movement?

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Answer: Unfortunately this could really happen...UIL as the union for public employment, CGIL as the union for workers and ICFTU as a little bit of both. Personally I think that union unity could be reaffirmed by adhering to an inter-classist political proposal, like in France and in Greece. On this, perhaps, Bettino Craxi is unconsciously right: in his policies there are no classes. In the final analysis the examples of Francois Mitterand and Andrea Papandreu show that left wing parties can go to the government even without entering into an iron pact with the unions. Only the German Social Democrats are still tied to a pact with the unions, but it is not said that they could not do without it.

Question: You are very critical of unions. How about business leaders? How do you assess the hardline policy which is emerging within the General Confederation of Italian Industry?

Answer: I don't think that a true hardline policy is involved. And much less I believe, as often said, that Agnelli are the leaders of this forward wing. The more knowledgeable managers are well aware that a modern economy does not live in permanent conflict with the unions. I rather think that industrialists are trying to obtain all they can out of the crisis of their natural inquisitors. It is obvious that in a moment like this avenging temptations may also emerge.

Question: From more parts it is being affirmed that the crisis of large industries has also caused the crisis of the reformative culture outlined over 10 years ago in the famous Pirelli document...

Answer: That large industries are in crisis, is a fact, that it is an irreversible crisis, I am inclined to deny it. On the other hand, I believe that it is from FIAT itself that the signals of a political counteroffensive have been launched. In the final analysis, I do not believe that one could do without the contribution, not only financial, of large industries. Who, if not large industries, has the means to compete at the international level in the ever more decisive areas of research and new technologies?

Question: Within EEC [European Economic Community] the participation of workers in the management of firms is being discussed at length. Do you think that in Italy as well we could switch from a grievance and struggle-oriented union to one with a greater degree of participation?

Answer: I wouldn't know; it will depend on many things. What I know for sure is that the union is being confronted with a decisive choice; either it moves along the path of participating in the decisions that are taken daily at the center and at the periphery (which does not mean giving up autonomy and struggle) or it will remain in the area of grievance redressing. In this latter case I believe that its weakness will continue. We shall see with the forthcoming contract renewals...with a strategic retreat, perhaps unions may recover.

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ECONOMIC

SPAIN

1982 ECONOMIC IMPROVEMENT EXPECTED

Madrid CAMBIO 16 in Spanish 25 Jan 82 pp 40-45

[Text] Spain and the Western economies have entered 1982, the ninth year of the crisis, with an outlook that is moderately optimistic. All indications are that the worst is over. That we are coming out of the tunnel. And that we must face the future with a changed attitude: It is no longer a question of survival, of standing firm against the lashings of the crisis, but rather of starting to move, to function again. But with new rules, with new aims, with new instrumentalities. The new economy is in the course of being born.

This optimism begins beyond the Pyrenees. All the world's industrialized nations, from Europe to the United States, including Japan and Canada, expect the economic crisis to subside definitively in 1982. Initially, the improvement had been expected to make its appearance during the first months of this year; but the U. S. economy has not recovered as much as had been anticipated, so that the improvement cannot be expected to get off the ground now until near the end of the year. But one thing seems clear: This crisis, which has battered these countries since 1974, is dead. And arising from its ashes is a new approach to enterprise, to competition, to capital formation, to work and to development.

This current of optimism, while not yet one to set the bells ringing, has reached Spain.

According to the OECD, which brings together the 24 most developed Western countries, the Spanish economy will improve during 1982, and the year-end should show better results as regards its overall growth, prices and unemployment. The OECD's forecasts indicate a growth of 2.5 percent, a much higher one than the average growth they project for the OECD countries as a whole (1.25 percent), the highest of all the countries except Japan, and equal to that of France. These forecasts indicate a 12-percent rise in prices, a foreign trade (current account) deficit of \$4.5 billion, and a slower unemployment growth rate than in prior years.

The OECD finds that there was a recovery of economic activity during the second half of 1981, based on a continual rise in investment and a resurgence of exports that extends to tourism as well, all signs pointing to a consolidation of this recovery in 1982, which in turn will produce a slight drop in overall unemployment concurrent with the virtual doubling of the country's economic growth over that of 1981.

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Another body, the IMF, has developed a slightly more negative projection from the results of the checkup on the Spanish economy it has just completed, although it underscores "the substantial achievements attained by Spain in recent years in adapting to the new circumstances arising from the crisis, its economy having transformed itself into a more flexible one."

A month ago, Juan Antonio Garcia Diez stated in the Congress: "Our objective is a 3-percent growth in 1982. This rate can be attained and, clearly, it is much less than the Spanish economy would need to ensure its health." Bearing out this view, the economy was already on its way to a 3-percent growth by the start of the new year.

To achieve this level, Garcia Diez is relying on a budgetary policy (public investment), monetary controls on inflation and maintenance of credit levels to the private sector, energy and industrial restructuralization policies, an international economic growth, and above all on compliance with the ANE [National Employment Agreement].

In the view of our government economists, 1982 trend will take an unmistakable turn in the direction necessary toward a solution of the economic and social problems that are plaguing the Spanish economy, although we will still be a long way from a definitive solution. "All signs seem to indicate that 1982 will be the year of cast-off from the crisis. In 1980 and 1981, the Spanish economy undertook a number of very important energy, wage and salary, industrial and staff organizational adjustments and a public investment effort, that with the help of a favorable international situation are beginning to bear fruit," said Anselmo Calleja, director general of economic policy, to CAMBIO 16.

There can be no doubt that we are actually on the road to improvement, when Carlos Ferrer, president of the CEOE [Spanish Confederation of Business Organizations] and a man who has for the last 5 years been making pessimistic statements (some of them very hard-hitting), has just indicated that this year "The economic situation will improve. Unemployment will continue rising, although, we expect, less than in 1981. Inflation will be lower and production will increase slightly. As a result of all of this, private investment will grow."

Revival Already Under Way

This is good news, if we consider that private investment has registered negative growth rates over the past few years. Abounding in this optimism, Jose Luis Ceron, chairman of the Economic Committee of the CEOE, holds forth his expectations for this new year: "There are already trends that have not as yet surfaced and that, if not disrupted, point to a certain revival: A revival in the buying of investment securities, the effects of public investment the impact of which did not begin to be felt until near the end of 1981, positive trends in the export sector, the ANE and even the World Soccer Championship Games."

As seen by Jose Luis Leal, former minister of economy, the future looks promising, but not to the extent of warranting joyful proclamations. "I do not think our economy will grow more than two percentage points in 1982, which means that the

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Key:

1. Factors indicating cast-off.

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| <p>2. Growth - Percentage increase in GDP [Gross Domestic Product].</p> <p>3. Economy - (OECD), (CEOE).</p> <p>4. Unemployment - Evolution in numbers of jobless.</p> <p>5. Prices - Percent increase in prices (CPI [Consumer Price Index]).</p> | <p>6. Foreign trade deficit - Current account (exports minus imports plus tourism, services and transfers).</p> <p>7. Investment - Percent total investment growth (public and private).</p> <p>8. Private consumption - Percent annual variation.</p> |
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unemployment situation will deteriorate further, though at a slower rate than in 1981. Inflation may also be expected to abate and our foreign trade deficit to show some improvement. In sum, a situation that will still be difficult, similar to that of the other European countries," he commented to CAMBIO 16.

There is certainly no lack of prescriptions. According to Julio Rodriguez, PSOE [Spanish Socialist Workers Party] economist, a number of steps must be taken if the Spanish economy is to be reactivated and hitched to the 1983 international recovery train: A moderate wage increase, steps favorable to improvement of the entrepreneurial climate, stabilization of social security costs, a reduction of tax fraud and an increase of indirect taxes, actualization of real increases in public investment, containment of inflation, moderation of interest rates, more stable financing facilities for the purchase of homes, a realistic energy pricing policy, productivity increases, streamlining of public-sector expenditures, and, above all, adherence to the ANE.

At the other extreme, Abel Matutes, of AP [Popular Alliance], lays down three conditions for attaining an effective and lasting growth: An increase in savings and investment, an improvement in our foreign trade balance (above all, as regards exports), and containment of inflation. He also puts much stress on containment of public and deficit spending, tax incentives to investment, more efficiency in the social security sector, liberalization in depth of the economic system, and development of the "locomotive sectors" of the economy (housing, public works projects, as well as energy and transportation).

A factor on which he does not touch, namely, revival of private investment, is one of deep concern to the government, which knows that public investment alone cannot resolve the unemployment situation and the crisis. Anselmo Calleja, director general of political economy in the Ministry of Economy, made the following comment to CAMBIO 16: "Two things worry me that I consider basic to a substantial improvement in the economy. One is the need to revive investment, above all in the construction sector. The other is the threat of being swallowed up by the public sector. This ferocious tiger that devours everything placed before it must be tamed. We must make a start with regard to transfers of funds to the public enterprises and the streamlining of social security, despite the fact that dealing with these issues is difficult and even unpopular."

There are also prescriptions originating abroad. Thus, the IMF has just recommended the liberalization of the Spanish economy by "correcting structural rigidities." The IMF suggests increasing competitiveness, developing exports, bringing labor costs down still more, liberalizing the financing system in depth, containing the public deficit, improving the tax collection system, and reforming social security.

Our Unemployment Burden

A serious problem hovers over this optimism and casts its continuing pall over the Spanish economy as it enters 1982: Unemployment. Two million Spaniards are jobless and 150,000 youths are entering the available work force every year. During November, 1,500 newly unemployed workers per day entered the rolls of the jobless.

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One chilling statistic alone suffices to measure the gravity of the problem: The number of persons registering in Employment Offices--the number of unemployed is actually higher--is running 10 persons per available job.

"The struggle against unemployment," says Carlos Romero, assistant director general for employment in the Ministry of Economy, to CAMBIO 16, "is not a one-year objective. It is a high-priority issue that must vertebrate economic policy in its entirety; it is not a matter of just a few job programs. There are no short-term miraculous solutions, and it would be a major achievement if only the number of unemployed by year-end 1982 could be made no greater than that at year-end 1981."

It must be remembered that the government's objective in signing the ANE was to create 350,000 jobs between June 1981 and December 1982. "It is a very difficult if not impossible objective to attain," our magazine was told by Crisanto Plaza, economist. "During good years, back in the 1960's, the net number of new jobs created annually by the Spanish economy was averaging 105,000, and from 1970 to 1974 it averaged 180,000. The economy would be doing well to create half the number envisioned by the ANE. The important thing, as I see it, is to change the trend."

It is Carlos Romero's view that the unemployment problem can be gainfully attacked on various fronts. One line of advance could be that of distributing existing employment: agreed early retirements, increased overtime pay, an attack on moonlighting, above all in the public sector (incompatibilities), and in-depth compliance with the ANE. Another would be that of limiting "double-dipping," reforming the social security system, continuing the wage-moderation policy, and lowering of business financing costs. And, easing the contracting terms for new jobs, making fuller use of the ANE. "Little use has been made of part-time and on-the-job-training contracts."

"Besides," he adds, "there is a whole array of measures to stimulate public and, above all, private investment, as well as those of a general economic policy nature: Development of sectors of the future, industrial reconversion, a plan for modernizing agriculture and the food farming sector, technological development, and a suitable professional and occupational training policy. "If the planned growth objectives become operative, the time will have come to develop a broad complex of measures and make of employment our major national objective," said Carlos Romero in conclusion.

Dispelling Uncertainties

But for the scheme to become operative, there must be a genuine revival of private investment. Uncertainties will have to be dispelled (the fact that 1982 is a pre-election year does not help things, and much less will it do so if there is a risk of early elections), incentives will have to be greatly increased, particularly as regards exports, new contract terms will have to be eased, and, above all, the cost of credit to business will have to be reduced. "Jose Luis Ceron, businessman and "economic brains" of the CEOE, says, "The problem of the price of money continues unabated, while others are improving."

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The possibility that the central bank may be able to reduce the price of money, as the workers have reduced their wages, is still not in sight. Recently, Juan Jose Torribo, former director general of monetary policy and a member of the board of directors of the Banco Urquijo, said: "Foreseeably, interest rates in Spain will remain high during 1982, since the deficit in the public sector will rise, thus generating pressure on the Banco de Espana." Other banking circles, for their part, add that they do not discard the probability of a tight credit market this year, with insufficient credit to be able to guarantee a low inflation rate--a problem that did not arise in 1981 because there was scarce demand for credit on the part of business.

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POLITICAL

FRANCE

'BLIND' EUROPE SEES USSR PEACEFUL INTENTIONS, WILL TO NEGOTIATE

Paris PARIS MATCH in French 5 Feb 82 pp 96-97

[Article by Cornelius Castoriadis: "The West is Already One Battle Behind"]

[Text] Philosopher Cornelius Castoriadis is one of those most familiar with Marxist thought. He established the once legendary periodical SOCIALISME OU BARBARIE (1949-65), which was a veritable intellectual crucible of critical reflection aimed at Soviet imperialism in the name of socialism. Castoriadis has just published a book whose title seems to us to have sadly prophetic current application: "Faced With War."

The main ally of the Kremlin is the stubborn blindness of the Western peoples. This blindness has to do first of all with the real strength of the USSR. Still today and despite the hullabaloo about the SS-20s (and as if they were the only issue), people continue to believe that because the United States has the most powerful industry in the world, it is also the strongest in the military sense. But strength is not the total of military hardware and soldiers alone. The USSR enjoys a privileged geostrategic position, with a central location which allows it to "operate on the basis of internal lines," and to deploy its forces in the necessary spots speedily. The Westerners are always running to catch up following the actions the USSR undertakes where it wants and when it wants. The USSR has political and military unity of command. Its forces are truly "integrated," unlike those of NATO. Its political, military, diplomatic and propaganda activities are also integrated, unlike the perpetual cacophony in the West. Russia actively exploits the social, political and other crises which occur in the sphere of the Western nations. The reverse is not true. Soviet society as a whole is organized on the basis of the goals of the regime, a situation which is inconceivable in the Western countries. Young Americans halted the war in Vietnam, and demonstrations by pacifists and neutralists in Europe have just recently rallied hundreds of thousands of persons. After the crushing of Hungary there were only five demonstrators in Red Square. After the same thing happened in Czechoslovakia, there were seven, and after the similar events in Poland on 13 December 1981 none.

The leading Soviet circles are concerned with nothing other than the expansion of the empire, and they are professional government leaders. Western

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politicians are sometimes only "amateurs" whose main concern is in many cases reelection. The leaders of the USSR have only one motivation: the expansion of their power. The Westerners, for their part, dream of maintaining a shaky "status quo." In the end, as a result of all this, the Soviet Union can have and does have a long-term strategy and policy. The Western regimes have none and can have none. Their blindness has to do also with the Soviet regime, its nature and its intentions. Even when they realize that it has nothing to do with socialism or the workers class, people do not see that the USSR is not a country like others, since the Soviet regime is not a regime like others, less liberal or more harsh, but a new historical animal. This regime has not created a new breed of men, but it has created a society without historic precedent, with its own blind dynamics, for all practical purposes incomprehensible to Western man, whether "liberal" or "Marxist." Each of the 270 million citizens in the USSR is a human being like you and me. But taken together, and placed under the yoke of the regime, for as long as that lasts, they are something else: mechanical limbs of an impersonal golem which extends a jointed arm from time to time and seizes something.

Blindly, people cling to a belief in the "peaceful" intentions of the Soviet Union or its "willingness to negotiate." Each time it has negotiated, the USSR has ended up with the main advantage, and each time it has suited its whim, it has calmly violated the agreements it had signed, and no one even dares to call it to account. We never cease to hear about Yalta: the agreements called for free elections in the Eastern European countries. When and where have such been held? In Hungary in 1956, after the failure of their first invasion, the Soviets withdrew their troops, promising that they would leave the country alone. This was done in order to bring up reinforcements, with which a few days later, they massacred the Hungarian people. The agreement signed in Moscow in 1968 with Dubcek (who had a gun at his head) was violated immediately afterward. Now they are being accused of violating the Helsinki Accords in Poland. But these agreements called for the free circulation of individuals and ideas. Go and see the Berlin wall, and count the Soviet tourists you see in the streets of Paris. Many Americans claim that the Soviets did indeed violate the SALT I treaty but even that is not the issue. The SALT I agreement gave them nuclear parity with the United States, which they did not have previously. This was not enough for them. During the decade between 1970 and 1980, they undertook a fantastic production and deployment of all other weapons. Rest assured that if the agreements were signed on Euromissiles in Geneva tomorrow--or even on intercontinental missiles--you would hear a few months or years later of great Soviet advances in other military realms. Rest assured also that if the Soviets succeed in "normalizing" Poland, a new peace campaign will be launched and everyone will believe in it, yourself included.

The case of Poland provides an admirable and tragic illustration of all of this. There is no need to emphasize that the Polish affair has been a tremendous setback for the Kremlin, and a matter which has not yet been concluded. By means of a 40 percent reduction in the standard of living (price increases of up to 400 percent), Jaruzelski is attempting to break the Polish people,

to bring them to their knees. It is not certain that he will succeed, much less that this will advance an economy ruined by 35 years of a communist regime. But see how the Kremlin, caught in this trap, has nonetheless been able to maneuver skillfully, while the Western politicians argue. Caught in a terrible bind, it was able to choose the means and the time in Poland, preparing its move for months and converting the Polish affair into an additional bone of contention among the Western "allies," and bringing the fear of war into play again (aided by Brandt, Schmidt and Chevenement). It was also able to transform it into a new, chilling and bitter demonstration to the peoples of the other Eastern European countries that rebellion is useless. Forty days after a state of war developed in Poland, Western bankers, with the blessings of their governments, were preparing to finance the survival of the regime.

Why this obstinate blindness? Let us set aside the idea that it would be difficult to learn the truth. Everyone knows what has happened. The data on the superarmament of the Soviet Union is to be found everywhere, and is less difficult to memorize than the membership of the soccer teams competing for the World Cup. The main thing is first of all that people do not want to think about what is extremely disagreeable. It is in error that, in many languages, a characteristic which is absolutely typical of human beings is imputed to the poor ostrich. The fact is that acknowledgment would also oblige people to do something--to take responsibility for their collective life. And so the fear of war itself becomes a factor which, confirming the Soviet Union's belief in its own impunity, contributes powerfully to increasing the probability of war.

This pertains to people in general. The situation with the "intellectuals" and the "leftists" is clearer still: apart from the outwork Marxist ideas of which their heads are full, they are forced to camouflage the situation, since none of their schemes provides an answer to it, and they are in danger of having to admit that, faced with this situation, they have nothing to say.

The leading circles in the West, entirely disorganized, set to their short-term interests. Businesses and unions think of "exports," bankers of their credit, and politicians, naturally, of their schemes. "Detente" was promised by Nixon and Kissinger in order to get the American voters to swallow Vietnam, the Cambodian invasion and Watergate. Kissinger today, wearing another hat, is trying to sell himself as the spokesman of a "hard line" policy. In fact, the Polish affair has been transformed, where politicians of all hues are concerned, into a weapon of guerrilla warfare among the majority parties as well as those of the opposition.

The harsh reality is that one can expect nothing of the Western regimes and governments. Only an uprising by the people, here as well as on the other side of the iron curtain, can halt the race toward war. This is why aiding the poles in their struggle is more than ever a vital necessity if catastrophe is to be avoided. This is why it must be remembered that in this affair, the blindness resulting from the fear of war is likely to lead both to war and to enslavement.

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POLITICAL

FRANCE

POLICIES, BACKGROUNDS OF MITTERRAND ADVISERS EXAMINED

Paris POUVOIRS in French No 20, 1982, pp 87-100

[Article by Samy Cohen, researcher at the National Foundation for Political Science (CERI) and director of research at University of Paris I: "The Men in the Elysée"]

[Text] Is there a "Mitterrand style" permeating Elysée operations, governing the choice of his staff, and the assignments he gives each of them? (1)

Quite apart from the fascination the prince's advisors hold for the collective imagination, the presence of the president's "entourage" poses a basic constitutional question. In the system of "unequal diarchy" which has been the 5th Republic's experience, these men are one of the important factors in the division of power between president and prime minister. Thanks to the information they gather and pass on to the chief of state, and to the dossiers they put together for him, these men make it practically possible for him to guide and direct government action. Given a prime minister who controls the civil service apparatus, the police, and the military, the absence of such staff would considerably weaken the president's role. Inversely, installation in the Elysée of a powerful apparatus capable on its own of preparing and implementing important decisions would weaken that of the prime minister. It would constitute one more step toward presidentialization of the system.

The first three presidents of the 5th Republic all had men about them who were numerous enough and competent enough to enable presidents to lay down major policy lines and monitor their implementation, but never gave them the opportunity to establish a real "second government" in the Elysée itself. Intervention by the president's men in the operations of the ministries was frequent -- particularly under Georges Pompidou and Giscard d'Estaing -- but their effectiveness depended largely on the character of the ministers. A prime minister opposed to a presidential decision could hamper its implementation under the critical but powerless gaze of the "Elysée people."

Experience has shown that the prime minister has held enough trumps, under certain circumstances, to force concessions from the president.

The president, on his part, knew that it is often less costly, politically speaking, to humor one's prime minister than to fire him. We tend too often to forget the role Georges Pompidou played in May 1968, the reforms Jacques Chaban Delmas pushed through in the teeth of presidential hostility and that of the president's chief adviser, Pierre Juillet, and the various economic measures Raymond Barre got through, not to mention his important role in the composition of cabinets. (2)

Has the election of Francois Mitterrand as president marked a break with the past? The experience of his first 6 months in office shows that there is no clear answer to that question. Three areas must be surveyed and separated:

- the one where the change is radical: the choice of men;
- the one where the change fits comfortably into the continuity: the internal functioning of the presidency;
- the one where continuity is all: the weight of the Elysée apparatus in the decision-making process.

I. The Choice of Men (3)

When General de Gaulle first moved into the Elysée on 9 January 1959, one of his very first acts was to put together his own team of personal staff. A majority of his recruits were high officials in whom he had complete confidence, and some of who had already served on his staff in London, in Algiers, or in the Provisional Government. As for the Rally of the French People (RPF), of which he was leader for several years, only a handful of party stalwarts came to the Elysée with him. Intellectuals, businessmen, organized labor, and members of the professions were barred. The main idea was that only high officials -- those who serve the State -- possessed the qualities of devotion, discretion, and competence required to deal with "affairs of State." Georges Pompidou and Giscard d'Estaing, also leaders of the party, stuck pretty much to the same line of thought. Pompidou took along the staff he had assembled at Matignon when he was prime minister. Giscard brought with him mainly those who had been closest to him at the Finance Ministry. In all three cases, the men were not very different from one another in origin, age, or background. Their differences stemmed mainly from the values they held and from the ties of personal fealty that bound them to their leader.

The "Mitterrand style," though, is quite another thing. It reflects, first of all, the "party activist tone of the Elysée." (4) The inner core of the Elysée team is made up of personal staffers who have worked for the first secretary of the Socialist Party and who, in 1981, were almost all part of his "campaign cabinet," headed by Jacques Attali, who today is special adviser to the president. Men used to working with Francois Mitterrand. Their backgrounds are as disparate as may be. They are almost all members of the Socialist Party or on its fringes. Aside from Jacques Fournier -- who comes from the trendy

Center for (Socialist) Studies, Research, and Education (CERES) -- and Francois-Xavier Stasse -- a Rocard man --, they are indeed Mitterrandists to a man.

Francois Mitterrand has also found room for his personal friends: André Rousselet, a businessman, is currently his chef de cabinet; Francois de Grossouvre, a farmer who runs his own operations, is chargé de mission to the President; Guy Penne, a physician, keeps tabs on African affairs for the Elysée; writer Paul Guimard is in charge of cultural affairs. Francois Mitterrand has also made it a point to pay homage to two of his deceased friends, Pierre Soudet and Georges Dayan, by finding a place on his staff for the widow of the former, Laurence Soudet, and the daughter of the latter, Paule Dayan.

The team will be rounded out by two people from organized labor: Jeannette Laot (member of the executive commission of the CFDT), and Robert Cheramy (co-secretary-general of the SNES). There will also be a couple of high officials, including one counsellor of State (Jean-Louis Bianco), a diplomat who was one of the very first members of the Center for Analysis and Planning at the Foreign Affairs Ministry (Pierre Morel), an engineer from the Bureau of Mines who is an expert on energy questions (Gerard Renon), and an administrator from the National Institute of Statistics and Economic Studies (INSEE), (Christian Sautter).

All in all, Francois Mitterrand has provided himself as president with the most heavily "political" team in the history of the 5th Republic, but also with the one least homogeneous. (5) His is the one on which high officials are least in evidence (they account for only about a third of the team). It is also the one on which graduates of the great schools are fewest (they number about a fourth, whereas they accounted for two thirds under Giscard d'Estaing, half under Pompidou, and only two-thirds during the final years of Charles de Gaulle's presidency).

The man who best symbolizes the change in political staff around the Elysée is Pierre Bérégovoy. For the first time since the birth of the 5th Republic, the secretary-general of the Elysée is not a high official. He is a graduate of no great school -- not ENA, not Science-po, not the Ecole Normale Supérieure. Pierre Bérégovoy is a self-taught man. Born to a family in modest circumstances, he began his working life as an adjuster and metalworker in a textile mill, then went to work for the railroad (SNCF). In 1950, he moved to Gaz de France, where he advanced quickly to become chargé de mission in 1978. In 1979, he joined the Economic and Social Council. His official biographies all show, under the heading "degrees": CAP d'ajusteur."

Pierre Bérégovoy also has a long history of political activism on behalf of socialism. In 1946, he joined the SFIO (French Section of the Workers' International), then left it in 1958 to join Alain Savary in founding the independent Socialist Party. A few years later, he was one of the founders of the United Socialist Party (PSU). He

worked closely for a long time with Pierre Mendes-France. In 1965, he lent his support to Francois Mitterrand's candidacy. In 1967, he founded the Modern Socialism Club and wound up in the new Socialist Party in 1969. While he has never been elected to public office, he quickly moved into the select ranks of PS leaders. It was he who, in 1977, led the socialist delegation into the negotiations for implementation of the Joint Program. In 1981, he was active in Francois Mitterrand's campaign and headed an elite team whose main job was to write replies to questionnaires sent by various associations. As president, Mitterrand first made him responsible for operating the presidential "antennae" and handling relations with the civil service, pending his promotion to secretary-general at the Elysée.

II. Internal Operations

At this level the change is less obvious. Anyone who has had occasion to watch the president's entourage at work in the past is not going to find himself in unfamiliar territory today. He will most certainly wonder about this johnny-come-lately who is special adviser to the president and occupies the office right next to Mitterrand's. But he will find most of the familiar structures unchanged: the general secretariat of the Elysée, the private general staff, and the cabinet (6).

Relations between the president and his entourage are handled, as always, on a hierarchical basis. Even today, the president does not sit down to work regularly except with a minority of the "top advisers": the secretary-general to the president's office, Pierre Bérégovoy, the chef du cabinet, Andre Rousselet, special adviser Jacques Attali, and Francois de Grossouvre who, with the title of "head of missions to the president of the republic," busies himself with relations with the special services. Only these four men see Francois Mitterrand on a daily basis. Not at times set in advance, as in the past, but rather "at the request" of the president or one of these men.

The secretary-general is still the pivotal personage in the entourage. He is the "contact man with the prime minister." He is the one who keeps the lines open between the Elysée and Matignon. It is to his desk that the important political dossiers come -- the ones that put the president into rapport with the government -- before they reach the presidential desk. He, together with the secretary-general of the government, is responsible for planning and preparation for cabinet meetings. He is the only member of the team to attend them. (7) He is also present at the regular interviews between the president and the prime minister on Tuesday mornings, as well as at the short private talk the two men have on Wednesday mornings before the cabinet meeting. He is almost always present at the Wednesday lunch along with Francois Mitterrand, Prime Minister Pierre Mauroy, PS first secretary Lionel Jospin, a few ministers invited on the basis of the news of the day, and often the leader of the Socialist contingent in Parliament, Pierre Joxe. Pierre Bérégovoy is the Elysée's contact man

with the Socialist Party, of which he is a member of the steering committee. He is present at all important Party meetings. At the Valence congress, he took part in the deliberations of the resolutions committee.

Pierre Bérégovoy has the biggest staff in the Elysée. He has a deputy (Jacques Fournier), an adviser to the secretary-general (Michel Charasse), who deals with constitutional matters, decentralization issues and relations with the parliamentary assemblies, a spokesman (Michel Vauzelle), a press attaché (Nathalie Duhamel), and a score of technical advisers and chargés de mission. Each of them concentrates on the activities of one or more ministries, updates the files for the next cabinet meeting, and makes sure that any information that might interest the President gets to him in time. They perform certain tasks, such as preparing his speeches, whose early drafts they edit. They receive visitors whom the president hasn't time to see. All of this activity goes on under the watchful eye of the secretary-general or his deputy.

Distribution of jobs is clearly defined, but, owing to the interministerial aspects of some cases, technical advisers and chargés de mission are often led to drop in on each other and coordinate their activities. On this basis, for example, there are regular consultations between Christian Sautter (international economics), Guy Penne (African affairs), and Régis Debray (who keeps an eye on Third World problems, particularly those of Latin America. Debray, however, does not play the part of your conventional diplomatic adviser. He maintains few contacts with the official representatives of foreign countries. On the other hand, he is always ready to meet with the "unofficial" ones: politicians, party activists, intellectuals, journalists, representatives of certain liberation movements, etc.).

You see the same team behavior in the economic sectors with Jacques Fournier, Alain Boublil (industry, housing, transportation, the post office and telephone system), François-Xavier Stasse (the economy, budget, planning), Gérard Renon (energy), and Christian Sautter. Or again in the more political areas of relations with Parliament, which are the province of Michel Chasse, Pierre Castagnou, and Paule Dayan.

The staff director (André Rousselet), assisted by his deputy (Jean-Claude Colliard), is in charge of three principal missions: he deals with the administrative and financial management of the Elysée Palace and with the organization of presidential travel (a direct responsibility of the chief of staff, Jean Glavany, who, among other things, handles the president's relations with the départements of Nièvre and the Landes); he stays on top of "communication problems" (particularly the plan for audio-visual reform and the appointment of journalists in this sector); and finally, with a great deal of discretion, he maintains contacts with business circles (newspaper publishers, banks, or major industrial conglomerates, etc.) whenever a given financial problem might have political repercussions. It was under this mandate, for example, that he kept such a close eye on the

nationalizations problem, and why he took a hand in shaping the instrument with which it was to be settled.

As of now, there is nothing new about the basic internal organizational plan. The innovation is to be found in the special adviser. Jacques Attali -- with his two backup men, Jean-Louis Bianco and Pierre Morel -- has two major responsibilities: the first is in the order of prediction. It consists in thinking through the medium- and long-term implications of domestic as well as international issues. His is a function hitherto more or less neglected, and one to which the members of the general secretariat, constantly absorbed in impending presidential deadlines (the next cabinet meeting, the next speech, the next trip, etc.), can devote only scraps of their time. Among the issues the special adviser has had served onto his plate are the future of new technologies (satellites, office computers, automatic long-distance communications, and more), the long-term implications of audio-visual (television) reform, the structural roots of inflation, and the possible remedies for each of them within the next 2 to 10 years.

Second major assignment: the preliminary work for the big multilateral summit meetings (8). The special adviser here plays a role analogous to that of the "product director" in a big corporation. He has full responsibility for the background file which he prepares with the help of his staff, members of the general secretariat who may be involved, and officials from the various ministries concerned.

The problem is that these two assignments by nature partially overlap the work of the general secretary and that of the office manager. The special adviser's job description is a long way from specificity. For a man of action, the medium term is not always distinguishable from the short. The multilateral "summit meetings" are clearly an extension of the bilateral summits, which are in the province of the general secretariat. Any important diplomatic activity on France's part in the interval between these "summits" is going to involve both the special adviser and the general secretary. The two men share high-level contacts with foreign governments. They travel with Francois Mitterrand when he travels outside France. Further, Jacques Attali is not confined to the two major missions already noted. His authority runs horizontally. With his own sources of information, he may see fit to give the president the benefit of his opinion on any subject whatsoever, and to react to events as they occur. He can also be called upon for special missions to foreign governments.

In a very short space of time, there has grown up around Francois Mitterrand's double circuit of information that operates on a competitive basis. Overlapping responsibilities, which hitherto had been studiously avoided in the Elysée are becoming one of the new features of its operations. That kind of system does not bother Francois Mitterrand so long as it provides him with more complete information. But it does give rise to tensions in his entourage. Short of taking over direct responsibility, the highest satisfaction the counsellor to the prince can savor is that of being heard and heeded by the man

he counsels. Why should anyone be surprised if competition is not viewed with a kindly or tolerant eye?

It is hardly likely, even so, that internal tensions like these will constitute any serious impediment to the consistency of governmental action. There are several reasons why:

-- The president's men have no decisions to make. They do not run ministries. The work they do is done for the eyes of one man, and one man alone. They can have no influence on the decision, since it is the president alone who must make it.

-- Overlapping is not tantamount to a total tangle in the lines of responsibility. The special adviser's work is often done upstream of the actual decision, at the first-start stages. He is what might be called the scout for the team, but he does not command the secretary general's grasp of the background dossiers for the cabinet meetings. The special adviser is required to be inventive, while the secretary general is required to be watchful, to let nothing creep into the dossiers that might even look like a "political gaffe."

-- Competition is also tempered by a degree of collaboration between the special adviser's staff and the general secretariat. There is no real compartmentalization. The special adviser's office talks to the secretary general's staff. The two men see each other often. The general secretary's primacy within the Elysée team is recognized, as is the necessity for informing him of everything that might be important if there are not to be over-serious policy clashes on dealings with the outside world. Attali and Bérégovoy lend staff members to each other. The special adviser has members of the general secretariat staff who are skilled in preparing for multilateral "summits." Inversely, the members of his team go over to give the secretary-general a generous hand in their preparations for the bilateral summits.

These four men are not the only ones with direct access to President Mitterrand. Three other men have it, too, but not on anything like a daily basis. The most important of these men -- important because of the responsibilities with which he is entrusted -- is the personal chief of staff, General Jean Saulnier. This soldier is one of five of six high-ranking colleagues of the president. He is the "strike-force" man, the one who maintains liaison between the chief of the general staff and particularly that between the president and the Air Force's Strategic Operations Center at Taverny.

After him comes the deputy secretary general to the president's office, Jacques Fournier. In other administrations, the man who held this post was one of those who saw the president most frequently, and his office was close to that of the head of state. These days, he works more closely with the secretary general of the Elysée, and his office is in one of the wings of the Elysée Palace, a long walk from the central building which is the prime strategic turf for access to the president's office. Even so, his role is very important: he replaces the general secretary when the latter is away. He assigns

work to the technical advisers and chargés de mission who monitor the pulse of economic and social affairs. He coordinates the Elysée's work with Matignon on these same issues, and, ex officio, takes part in the interministerial committee meetings on the Rue de Varenne.

The last member of the group is the adviser on African affairs, Guy Penne. The importance both France and the African countries attach even now to direct ties between one head of state and the other, and his role as the president's personal envoy, which he continues to fill, explain why Guy Penne is one of the few who have the right to deal directly with Francois Mitterrand.

The other advisers communicate with the president in writing and, as a rule, work with one of the "big men." A few privileged characters are sometimes summoned by the president who will ask for their views or for more specific information on a particular dossier.

Formal meetings at the Elysée are rare. Francois Mitterrand, according to the men who work with him, does not like this particular pattern of collective work. In 6 months, he has held only two full-dress meetings with his full staff, both called to straighten out details of internal organization and to spell out the Elysée's official attitude vis-a-vis the outside world. There are, however, two select meetings that are quasi-formal. The first is chaired by the deputy general secretary. It is held every Wednesday morning, and all advisers responsible for economic and social matters are in attendance. Once a week or so, without any fixed day, the secretary general, his deputy, the directeur de cabinet, and the special adviser get together. This is what is called the "appointments" meeting, where they talk over appointments to the highest posts in the civil service and in the para-governmental sector.

III. Is the Elysée Team a Powerhouse?

Do Francois Mitterrand's men make up this "actual second government," as was recently suggested (9)? Ever since de Gaulle's day, this kind of assessment of the role the Elysée's offices actually play has gone through countless reruns. And yet, there is no indication that the Republic has changed, or that Francois Mitterrand has appreciably altered the clout of his entourage at the expense of that of his ministers, thus taking another step or two in the direction of presidentializing the system. Nor has the expansion of staff, from some 30 or so in the final year of Valéry Giscard d'Estaing's term to around 40. There are more people on the staff in the Elysée's general secretariat (24 in all) than at any time in the history of the 5th Republic. These differences, however, are of minor importance. We are a long way from the swarming hives that perform the multifarious services attached to Matignon (10). We are even further from those of the White House, whose White House Office alone has several hundred on its payroll (11).

The Elysée's is still a lean team, with no capacity to plan and implement major reforms by itself. It has no more autonomy than it ever did. Matignon still plays a stellar role in the elaboration and execution of important decisions. Contrary to what might happen in the United States, the president's advisers in France have no way of taking over from members of the cabinet. The cabinet ministers still have considerable braking power to bring to bear on presidential options.

The men around the head of state seek to round out their influence by means of diligent and detailed digging for information. They are rarely content to accept the bare-bones dossiers which reach their desks after being filtered through the particular biases and crochets of ministerial staffs. They take assiduous part in meetings of the interministerial committees. They can, when circumstances warrant, call meetings at the Elysée at which competent officials are in attendance. They can, if necessary, short-circuit even a cabinet minister and go directly to the man handling the dossier they want to see.

The independent authority of the president actually creates a degree of independence between the advisers and the ministers. The former need the cooperation of cabinet members to put them in a position to give the president complete information. Cabinet ministers know that establishing and maintaining good relations with the men in the Elysée can bring them certain advantages. It gives them a chance to find out the president's real opinion of them. It also enables them to make sure, very quickly, that such and such a move on their part has the president's approval. And finally, in the bureaucratic wars between his troops and those of other ministers, on any decision of an interministerial nature whose final settlement will be adjudicated by the head of state, the cabinet minister knows it is important to make sure he has the backing of whichever of the president's men it is who is in charge of the dossier on that issue. None of this, however, is new, and it does not give the president's advisers any decisive advantage.

It would be more helpful to replace the theory of the super-executives with the two-pillar theory, Francois Mitterrand, like his predecessors, relies at least as much on members of the cabinet as on his personal advisers to govern. He often works with his ministers, particularly those in key positions. Every week he receives the prime minister and the ministers of Interior, Economy, and Foreign Relations. Pierre Maury is the only one who has set hours to confer with him. The others are summoned on the basis of the urgency of the issues they are dealing with. Francois Mitterrand also consults with people who move in other circles. He receives personal friends, writers, university professors, and, of course, politicians, particularly Socialist Party leaders (Lionel Jospin, Pierre Joxe, who heads the PS contingent in the National Assembly, Louis Mermaz, president of the National Assembly. Unlike his predecessors, though, he seldom works directly with high officials.

Francois Mitterrand has said that he feels comfortable surrounded by our institutions, that they were "made to order" for him. A logical man, even with himself, he has not made any essential change in the weight of his own "institution": the president's advisers.

Official Presidential Staff Table of Organization

Presidential Secretary General: M Pierre Beregovoy
Special adviser to the President: M Jacques Attali
Chargés de mission for the President: M Francois de Groussouvre
(special services), M Paul Legatte (relations with the major branches of government and with ministerial staffs).

Presidential General Secretariat

Deputy Secretary General: M Jacques Fournier
Adviser to the Secretary General: M Michel Charasse (decentralization, Parliament, constitutional matters). Elected Senator in October.
Spokesman: M Paul Vauzelle
Press Secretary: Mme Nathalie Duhamel.

Technical Advisers

M Jacques Bonnacossa (Trade and Crafts)
M Antoine Bonnefond (Justice)
M Alain Boublil (Industry, Housing, Transportation)
M Pierre Castagnou (Parliament)
Mme Yannick Moureau (National Solidarity)
M Henri Nallet (Agriculture)
M Guy Penne (African Affairs)
M Gerard Renon (Energy)
M Charles Salzmann (Information, opinion polls)
M Francois Stasse (Economy, Budget, Planning)
M Christian Sautter (International Economy)
M Hubert Vedrine (External Relations)

Chargés de Mission

M Robert Cheramy (Education)	Mme Jeannette Laot (Labor)
Mme Paule Dayan (Parliament)	M Claude Manceron (Culture, Universal Exposition)
M Regis Debray (Third World)	M Jacques Ribs (Repatriates)
M Paul Guimard (Culture)	

Presidential Cabinet

Directeur du Cabinet:	Technical Adviser:
M Andre Rousselet	M Gilles Menage
Deputy Cabinet Director:	Chef du Cabinet:
M Jean-Claude Colliard	M Jean Glavany

Chargés de mission: M Jean-Louis Bianco (Long-term thinking about domestic issues)
M Pierre Morel (multilateral summits, strategic matters)
Mme Laurence Soudet
Personal Mme Paulette Decraene
Secretariat: Mlle Marie-Claire Papegay

SOURCE: Government Secretariat General, "Makeup of the Government and of ministerial staffs (Prime Minister: Pierre Mauroy). List approved 21 August 1981 by La Documentation Francaise.

This body must be carefully interpreted, because it tends, like any other table of organization, to freeze in concrete a body which is perhaps more changeable than otherwise. Furthermore, certain assignments (those of Jean-Louis Bianco and Pierre Morel) do not reflect the actual state of affairs. The details of the sectors covered were added by us.

The President's Personal General Staff

Air corps general Saulnier, personal Chief of Staff
Senior Captain Jean-Pierre Fourquet
Artillery Colonel Guy Barascud
Air Force Colonel Bernard Nicolas
Lieutenant Colonel Philippe Mercier, Aide de camp
Chief Admiralty Commissioner Jean-Francois Cleret
Lieutenant Commander Michel Olhagaray, Aide de camp
Military Commandant of the Elysée Palace:
Gendarme Colonel Arnaud Wautrin

SOURCE: JOURNAL OFFICIEL, 22-23 May, 3 June, 14 June, and 6 July 1981.

FOOTNOTES

1. This study was conducted on the basis of repeated in-depth interviews with a dozen or so of the people on Francois Mitterrand's staff. I should like here to thank those who were kind enough to devote a portion of their time to answering my questions.
2. See, on this topic, Samy Cohen's "Advisers to Presidents: from Charles de Gaulle to Valery Giscard d'Estaing," Paris, PUF, 1980, 200 pp.
3. As of the end of November 1981, there were 34 civilians and 7 military people in Francois Mitterrand's entourage. These numbers do not include the president's personal secretaries. They do not include, either, the five unofficial staffers.

4. Jean-Marie Colombani, "Six Months of Socialist Government. III: Party Activism Enters the Elysée in Force," LE MONDE, 15-16 November 1981.
5. Broken down by original occupation, this is how they line up (we used as our reference the main occupation over their careers of the 34 civilians named in the JOURNAL OFFICIEL): high-ranking civil service officials: 11, including Counsellors of State (5); civil administrators (3); Foreign Affairs (1); Engineer of Mines (1); INSEE Administrator (1); professionals: 3, including two attorneys and one physician; 3 writers; two magistrates; two labor union officials, two contract consultants to the Ministry of Planning; two middle management people from the public sector; two permanent [Socialist] Party officials; five from other callings (1 university professor, 1 head of research at INRA, 1 journalist, 1 farmer-landowner, and 1 businessman).
6. Francois Mitterrand restored the title of directeur de cabinet which Valéry Giscard d'Estaing had abolished.
7. Unlike the situation under Valéry Giscard d'Estaing, where for 7 years the president's spokesman also attended cabinet meetings.
8. To wit: the European Councils, the industrialized nation summits and the North-South summits.
9. Marcelle Padovani: "Elysée: How Does the Mitterrand Team Work?" LE NOUVEL OBSERVATEUR, 25 JULY 1981.
10. On this count, see particularly Jean Massot: "The Head of Government in France," Paris, La Documentation Française, 1970, 320 pp.
11. See particularly: Arthur M. Schlesinger: "The Imperial Presidency," Paris, PUF, 1976, 561 pp; and Richard M. Pious: "The American Presidency," New York, Basic Books, 1979, 490 pp.

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POLITICAL

FRANCE

REASONS FOR IMPROVED PCF-CHINESE RELATIONS, OTHER POLICIES

Paris LE NOUVEL OBSERVATEUR in French 13-19 Feb 82 p 34

[Article by K. S. Karol: "Deng Xiaoping's Surprises"]

[Text] How Peking manages to ignore Warsaw without approving Moscow and to worry the United States without reassuring the USSR.

The PRC is the big absentee from the international debate on the military coup d'etat in Poland; this week the PRC however returns to the current affairs scene through a somewhat unusual slant: Its spokesman has just revealed that the regime's strongman--and the chief architect of rapprochement with the United States--Deng Xiaoping, because of his age (77 years) will no longer be in the "front rank" of battle and would be content with giving his advice on the major strategic issues; on the other hand, the Chinese Communist Party, after 20 years of bitter debate with the French communists, has delegated its ambassador to Paris to attend the PCF [French Communist Party] congress and has invited Georges Marchais to come to Peking. Suddenly, people are wondering whether post-Mao China, disappointed by the United States, might not be looking toward a rapprochement with the Soviet Union, which would constitute a serious upset on the international scene.

Subject of Dispute

Theoretically, the problem has been on the agenda since the failure of the mission to Peking by the United States Secretary of State Alexander Haig, in June. Ronald Reagan, during his election campaign, had pledged to lift the embargo on offensive weapons sales to Taiwan, but he hoped to persuade the Chinese to go along by promising them to reequip their own armed forces under very advantageous conditions. Peking's response was negative and angry. Hence the assumption that this new dispute with the United States would sooner or later cause China to turn toward the USSR.

However, news reaching us from Peking at least is ambivalent and does not clearly indicate a desire on the part of the Chinese to revise their attitude toward Soviet hegemonism. Moreover, certain decisions by the leaders of the CCP [Chinese Communist Party] spring mostly from the great difficulties they are having in carrying out their domestic projects, rather than from their diplomatic concerns. Here is the most striking example: Peking's relations with the Polish coup d'etat leaders.

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China neither condemned or approved Jaruzelski's coup. It simply engages in "honest information"--Chinese style--which consists in camouflaging troublesome facts so as not to have to comment on them. In the latest issue of BEIJING INFORMATION, it was explained therefore that "The additional burden of the Polish crisis turns out to be so heavy for the Soviet hegemonists that their forces are no longer able to keep up with their ambitions." It was then added that all of Eastern Europe would like to liberate itself from the "Soviet yoke" but not a word was said about Solidarity and about the very nature of the Polish crisis. The Chinese have perfected this exercise in camouflage in their textbooks on the break between the CPSU and the Italian Communist Party. They came out in favor of the Italians and against the "impudent prosecutors in the Kremlin" but without ever mentioning Poland, which precisely is the subject of this dispute.

Having said this and realizing that China, according to its own statistics, is suffering from an annual inflation rate of 8-10 percent, that it has 20 million unemployed, and overblown and increasingly corrupt government machinery (according to official statements), one can understand that it does not want to disseminate too much news about independent and Polish-style self-managed labor unionism. Solidarity's postulates might well produce an entirely too favorable echo among the Chinese workers--at least among those who have not forgotten the egalitarian and antibureaucratic slogans during the time of the Cultural Revolution.

What is even more surprising on the other hand is the fact that China, apparently, is trying to lighten the Polish burden of the Soviets by stepping up its shipments of meat and light industry products to Poland. Since 13 December, the Chinese reportedly sold Poland more meat than the Soviets and last week they signed a trade agreement with Warsaw calling for an increase in trade by 30 percent as compared to last year.

But here again, the key to Chinese action is not necessarily political: China this year had one of the best harvests in its history and, contrary to the USSR, it has a farm surplus. Moreover, not being sufficiently competitive on the Western market, with the exchange of equipment for the old industries imported from that region.

Invitation to a Trip

From all of these facts one certainly cannot deduce that there is a possible eclipse of Deng Xiaoping. For my part, I believe that Deng, having achieved a secure and strong position at the top of the Chinese Communist Party, comparable to that of Mao, is now withdrawing a little bit from current affairs--as his predecessor had done at the time--in order to prepare a more long-range program capable of extricating China from its serious political and economic crisis. The experience of these past years shows that purely pragmatic visual navigation did not permit that country to modernize rapidly and that it instead generates strong social tension. Deng therefore will probably come back to the Maoist doctrine of the Sixties, before the Cultural Revolution, when the Communist Party itself was charged with imposing, from within, a modest and exemplary way of life upon its cadres. But this will not be an easy operation.

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What does the Chinese invitation to Georges Marchais mean in this context? This is not just another trip; it is, instead, quite in keeping with the style of the current leadership team in Peking. Deng and his friends for a long time have not been establishing any prior anti-Soviet conditions regarding the resumption of the dialogue with the Western communist parties. They invited Georges Marchais to Peking several weeks before the PCF Congress at Saint-Ouen and their gesture has already been recompensed: "Honest information"--in the style of the French communists--as a matter of fact eliminated any allusion to the intercommunist wars of recent years and therefore any condemnation of "Chinese aggression against Vietnam" or against Chinese support for the Khmer Rouge.

And here is the second reason for the invitation extended to Marchais: It is believed in Peking that the PCF is now a party that is included in the government and that it therefore constitutes a worthwhile conversation partner.

Here is the third reason: The trip to Peking by a communist leader who is very close to the Soviet line seems to worry the Americans who are afraid of a Chinese-Soviet rapprochement. For Peking, it is not a bad thing to show Reagan and Haig that China, in case of a rupture, would have a ready-made spare policy.

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POLITICAL

ITALY

COLOMBO URGES MORE CONTACTS AMONG NATO ALLIES

PM071631 Milan CORRIERE DELLA SERA in Italian 3 Mar 82 pp 1-2

[Interview with Foreign Minister Emilio Colombo by Dino Frescobaldi: "Submarine's Intrusion Confirms Need To Improve Country's Security"]

[Text] Rome--[Question] The Italian Government has described as "irresponsible" the violation by a nuclear submarine--still unidentified, but which many consider to be Soviet--of our territorial waters near the Taranto Naval Base. Why was it decided to use such an adjective, which seems very serious in diplomatic language?

[Answer] The violation of our territorial waters is all the more serious inasmuch as it is to the detriment of a country that traditionally performs a role--greatly appreciated on the international plane--of moderation and alleviation of frictions, especially in the Mediterranean area.

[Question] Do you believe that the submarine's "irresponsible" operation will have political and military repercussions in an area where Soviet aims are already prompting so many anxieties? I am thinking, for instance, about the kind of alarmed reactions that the incident will have caused in neighboring Yugoslavia, where the troubles of the post-Tito period are becoming increasingly apparent. Such an unscrupulous tactic is bound to frighten first and foremost the small countries unprotected by a system of alliances.

[Answer] Do not try to make me say more than we have already said: The Foreign Ministry has already expressed its opinion in an official note. I feel it is necessary to reconfirm the concern with which Italy has been observing for some time the exacerbation of tensions in an area as vital for us as the Mediterranean. As far as we are concerned, irresponsible initiatives such as the one undertaken by the submarine discovered in the Gulf of Taranto can obviously only increase the diligent vigilance effort of the Italian authorities responsible for defending the security and defense requirements of our national territory. [answer ends]

Colombo recently visited the United States, where in a lecture at Georgetown University he issued a proposal for improved cooperation between the United States and its European allies, especially on matters of vital strategic interest. THE WALL STREET JOURNAL wrote that "Italy, an undervalued U.S.

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ally, is prompting a policy of mutual understanding between Europe and the United States." It added: "The message launched by Colombo is that, before another crisis like the Polish one exposes the West's divergences, the United States and its European allies must consider the methods for containing such divergences in their respective strategic outlooks, instead of continuing their effort to conceal them."

So the question of how to build "new understanding" is now doubly topical, both in view of the increased Soviet military threats and in view of the tensions--diplomatic, monetary, and so forth--apparent within the alliance. I asked Colombo to explain to me how his proposal originated: "The idea launched at Georgetown University," he said, "stems from the need to remedy the deterioration in the atmosphere between the allies on both sides of the Atlantic, which has become exacerbated following the Polish crisis. In my speech I outlined an analysis of the sectors in which European and U.S. viewpoints do not converge and of the historical and political causes behind our differing approaches."

"All this should cause no surprise. The Atlantic Alliance does not rest on the principle of limited sovereignty; it is based on consensus, as well as on the awareness that the United States has everything to gain if it can depend on a responsible partner with whom to share its fundamental objectives."

[Question] And so?

[Answer] Hence it is desirable to create among the allies a permanent system of contacts to complete and integrate the present system of consultations centered on NATO and the yearly summit meetings of the seven top industrial countries, thus permitting greater cooperation in broader geopolitical areas and a scrupulous implementation of the summit meetings' directives. In conclusion, the linchpin of the consultations should be periodic meetings of foreign ministers.

[Question] A few days ago a well-known U.S. columnist announced that Washington, tired of having to negotiate with all the allies, was returning to the old idea of the Western "steering committee" composed of four countries: the United States, Britain, France and Germany. Subsequently this report was categorically and authoritatively denied. What kind of reception was given to your proposal of periodic meetings of European and U.S. foreign ministers?

[Answer] Apart from favorable reactions in the U.S. press, there have also been signs of interest in Europe, especially in Bonn and Brussels. (It seems that German Foreign Minister Genscher intends to revive the proposal during his imminent visit to Washington and that Belgian Foreign Minister Tindemans has said that Colombo's suggestions are exactly in line with his government's ideas--CORRIERE editor's note.) Moreover, in the recent French-German declaration an entire section is devoted to the need for broader U.S.-European consultations.

[Question] In what specific form do you envisage the periodic meetings taking place?

[Answer] What I have said indicates that we are moving in the right direction. But we do not claim to have discovered the solution to the problem. We want to discuss it, instead of passively watching the deterioration of fundamental relations. Of course procedure cannot resolve basic problems. But the Europeans have already had some experience: In 1970, when a start was made on altering the system of political cooperation among the EEC countries, there were many skeptics. Now systematic consultation has created a practice, almost a conditioned reflex, of a "10-way" discussion of foreign policy matters to achieve joint stances in the vast majority of cases.

[Question] But recently this has not always happened....

[Answer] It is true. On the subject of El Salvador the 10 have acted in open order. This must prompt an honest self-criticism that will lay the foundations for further improving our unity.

[Question] Why has Italy now made itself spokesman for the proposals for better consultations among the Atlantic allies?

[Answer] Precisely because they come from Italy---that is, a country which, despite difficult conditions, demonstrates secure democracy and consistency in foreign policy and which knows how to shoulder its responsibilities--these proposals should be examined without suspicions and understood in terms of the goal that they intend to attain, namely to stimulate a debate without claiming any ideological exclusiveness or monopoly.

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